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# HOUSE BILL No. 1115

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-3-3-11.

**Synopsis:** Tax credit for college savings program. Provides an adjusted gross income tax credit for family college savings deposits made during taxable years beginning after December 31, 2000. Provides that the credit is equal to the lesser of: (1) 10% of the aggregate of the family college savings deposited by the taxpayer for the taxpayer's dependent during the taxable year; or (2) \$100 per dependent.

**Effective:** January 1, 2001 (retroactive).

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January 9, 2001, read first time and referred to Committee on Ways and Means.

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First Regular Session 112th General Assembly (2001)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

## HOUSE BILL No. 1115

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A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. IC 6-3-3-11 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE  
3 JANUARY 1, 2001 (RETROACTIVE)]: **Sec. 11. (a) As used in this**  
4 **section, "dependent" means a person whom the taxpayer is eligible**  
5 **to claim as a dependent on the taxpayer's federal income tax return**  
6 **for the taxable year under Section 151 of the Internal Revenue**  
7 **Code.**

8       **(b) As used in this section, "family college savings" means**  
9 **deposits made to an individual trust account in the Indiana family**  
10 **college savings trust fund under IC 21-9.**

11       **(c) As used in this section, "higher education institution" has the**  
12 **meaning set forth in IC 21-9-2-16.**

13       **(d) As used in this section, "individual trust account" has the**  
14 **meaning set forth in IC 21-9-2-17.**

15       **(e) As used in this section, "taxpayer" means:**

16           **(1) an individual who:**

17               **(A) is an Indiana resident; and**



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- 1 (B) files a separate return; or  
 2 (2) a husband and wife who:  
 3 (A) are Indiana residents; and  
 4 (B) file a joint return.

5 (f) For each taxable year, a taxpayer is entitled to a credit equal  
 6 to the amount specified in subsection (g) for deposits of family  
 7 college savings in an individual trust account for the taxpayer's  
 8 dependent in the taxable year.

9 (g) The amount of the credit for each dependent under this  
 10 section is equal to the lesser of:

- 11 (1) ten percent (10%) of the aggregate of the family college  
 12 savings deposited by the taxpayer for the dependent during  
 13 the taxable year; or  
 14 (2) one hundred dollars (\$100).

15 (h) The credit allowed by this section may not exceed the  
 16 amount of the taxpayer's adjusted gross income tax liability for the  
 17 taxable year.

18 SECTION 2. [EFFECTIVE JANUARY 1, 2001 (RETROACTIVE)]  
 19 IC 6-3-3-11, as added by this act, applies only to taxable years  
 20 beginning after December 31, 2000.

21 SECTION 3. An emergency is declared for this act.

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